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Deborah A. Garza, Chair Jonathan R. Yarowsky, Vice Chair Antitrust Modernization Commission Attn: Public Comments 1120 G Street, NW Suite 810 Washington, DC 20005

Dear Ms. Garza and Mr. Yarowsky:

On behalf of the Outdoor Power Equipment Institute ("OPEI"), I am writing in response to the <u>Federal Register</u> notice of May 19, 2005 (70 Fed. Reg. 28,902) requesting comments on issues being studied by the Commission. OPEI fully supports the comments filed by the Joint Export Trade Alliance and are providing these comments to voice further support for the Export Trading Company and the Webb-Pomerene Export Acts ("ETCA" and "Webb-Pomerene Act"). As discussed below, OPEI strongly urges the Commission not to recommend the elimination or limitation of these laws to the President or Congress.

OPEI is an international trade association representing manufacturers and their suppliers of consumer and commercial outdoor power equipment, such as lawnmowers, garden tractors, utility vehicles, trimmers, edgers, chain saws, snow throwers, tillers, leaf blowers and other related products. OPEI is located in Alexandria, Virginia and its domestic members are located throughout the United States. OPEI's domestic members manufacture over 95 percent of the U.S. consumer retail market for gas and electric powered lawn and garden maintenance products and currently have annual domestic sales of approximately \$7.0 billion and exports of approximately \$1 billion a year, principally to the countries of the European Union. Overall, the U.S. outdoor power equipment industry is a \$9-10 billion industry and is the largest producer and exporter of outdoor power equipment in the world.

OPEI's views in support of the ETCA and Webb-Pomerene Act arise out of its experience as a recipient of an Export Trade Certificate of Review under the Export Trading Company Act of 1982. The Certificate, which was issued to the industry in March 1990, was primarily sought to provide the protections of the ETCA to OPEI and its member companies in connection with OPEI's preeminent role in the development of international standards covering the production and sale of outdoor power equipment in the international marketplace. See 55 Fed. Reg. 11,041 (Mar. 26, 1990). As an industry highly dependent on exports, the outdoor power equipment industry has witnessed the proliferation of a wide range of diverse environmental and safety standards. These standards, which often vary from foreign market to foreign market, have, in many instances, posed serious obstacles to U.S. exports and have significantly increased

production costs, as U.S. exporters must design and produce their products in accordance with these variable standards. In an effort to minimize the adverse impact of these variable standards, the U.S. industry has sought to engage its counterparts in a standards harmonization process under the auspices of such international standards setting organizations as the ISO. In pursuing this effort, and in recognition of the fact that such standards can give rise to issues of competition, OPEI sought the protections of the ETCA for its standard setting programs. The protections extend to all of the member companies through the application and receipt of an Export Trade Certificate of Review, which specifically authorizes standardization activities. The protections have provided a level of assurance and certainty to those participants in this process, through the recognition that these activities have been previously certified by U.S. antitrust authorities.

OPEI relies on the Export Trading Company Act – and its Certificate of Review – to encourage standard setting activities that are designed to address various non-tariff barriers U.S. exporters face in world markets. At a time when U.S. trade deficits are routinely setting record highs, and with the growing proliferation of barriers to U.S. exports it would be unthinkable for the Antitrust Modernization Commission to come to the conclusion that these laws merit repeal.

Any attempts to change U.S. antitrust law should, at a minimum, do no harm to the U.S. economy. There can be no doubt that the repeal of the Export Trading Company and Webb-Pomerene Acts would harm the U.S. economy, including U.S. outdoor power equipment producers.

Thank you for your consideration of these comments.

Sincerely,

Counsel to the Outdoor Power Equipment Institute